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From:

Sent: Tuesday, July 02, 2013 1:18:01 PM

To:

Cc:

Subject:

Hi

In response to your inquiry, we recommend that the exam team abandon its argument that the infrastructure assets at issue are intangible assets with an indeterminate useful life. Further factual development is needed to determine whether these assets are intangible assets under section 1.263(a)-4(d)(8)(i) of the Income Tax Regulations or dedicated improvements under section 1.263(a)-4(d)(8)(iv). Based upon the facts provided to us at this point, the infrastructure assets appear to be dedicated improvements.